Alberta

MUNICIPAL AFFAIRS

FINANCIAL STATEMENT

For the Fiscal Year Ended December 31, 1985

MUNICIPALITY ..... TOWN OF HIGH RIVER .....

MAFP 118 (85/10)

ALBERTA MUNICIPAL FINANCIAL STATEMENTS
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TOWN OF HIGH RIVER
MUNICIPALITY

AUDITOR'S REPORT

The Mayor or Reeve and Council of:

THE TOWN OF HIGH RIVER

We have examined the Consolidated Balance Sheet of THE TOWN OF HIGH RIVER as at December 31, 1985 and the related statements of Combined Operating Revenues and Expenditures, Combined Capital Financing Acquired and Applied, Taxes Levied and Grants-In-Lieu, Consolidated Statement of Surplus (Deficit) and Consolidated Statement of Equity in Fixed Assets and the schedules supporting these statements for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the municipality as at December 31, 1985 and the results of its operations and changes in capital financing for the year then ended in accordance with the disclosed basis of accounting described in Note 1 (page 7) applied on a basis consistent with that of the preceding year.

Dated at HIGH RIVER this 31 day of MARCH 19 86

Signed Hewson, Delanoy & Co. Firm HEWSON, DELANOY & CO.

Address BOX 1930, HIGH RIVER, ALBERTA Telephone: 264-2900

Postal Code T0L 1B0

SPECIAL REPORT
QUALIFICATIONS

TOWN OF HIGH RIVER
MUNICIPALITY

CONSOLIDATED BALANCE SHEET

As At December 31st, 1985

YEAR

FS2

CONSOLIDATED ASSETS		PRECEDING YEAR 1984	CURRENT YEAR 1985
110 Cash on Hand		915	1,190
121 Cash in Chartered Banks		26	193,838
122 Cash in Near Banks and other Financial Institutions			
100 TOTAL CASH ON HAND AND ON DEPOSIT		941	195,028
210 Taxes and Grants in Lieu Receivable		193,563	226,111
240 Receivable from Other Governments		105,812	98,059
270 Trade Accounts Receivable		438,042	171,157
290 All Other Receivables		156,383	253,642
200 TOTAL ACCOUNTS RECEIVABLE	(FB1 24)	893,800	748,969
300 TOTAL INVESTMENTS, LOANS AND ADVANCES	(FB4 21)	5,531,956	5,213,955
477 Trust Accounts Administered (Total)		15,047	14,711
490 Other Assets (Specify Capital = $)			
400 TOTAL OTHER ASSETS		15,047	14,711
570 Land Held for Resale	(FB3 11)	1,111,955	1,012,932
590 Other Inventories (Tangible Assets)		90,753	99,128
500 TOTAL INVENTORIES (TANGIBLE ASSETS)	(FB3 22)	1,202,708	1,112,060
610 ENGINEERING STRUCTURES FIXED ASSETS	(FB6 53)	15,024,203	15,304,641
620 BUILDING FIXED ASSETS	(FB7 53)	7,450,890	7,501,688
630 MACHINERY, EQUIPMENT FIXED ASSETS	(FB8 53)	319,313	336,688
640 LAND FOR OWN GOVERNMENT USES	(FB9 53)	3,331,539	3,332,364
650 VEHICLES FIXED ASSETS	(FB10 53)	156,885	194,854
600 TOTAL FIXED ASSETS		26,282,830	26,670,235
800 DEBT CHARGES RECOVERABLE			
900 NET ACCUMULATED DEFICITS	(FS6 99 8)	22,778	133,518
TOTAL CONSOLIDATED ASSETS		33,950,060	34,088,476

CONSOLIDATED LIABILITIES		PRECEDING YEAR 1984	CURRENT YEAR 1985
100 TOTAL SHORT-TERM LOANS AND OVERDRAFTS		154,190	
230 Payable to Other Governments			
270 Trade Accounts Payable		112,247	63,093
290 All Other Payables		495,314	497,994
200 TOTAL ACCOUNTS PAYABLE	(FB2 21)	607,561	561,087
310 Debenture, Bond and Mortgage Debts	(FB11 53)	7,582,133	7,626,231
322 Long Term Capital Borrowing and Capitalized Leases	(FB12 53)		
323 Operations Long Term Borrowing	(FB13 51)		
300 TOTAL LONG TERM DEBT OBLIGATIONS		7,582,133	7,626,231
47X Meter Rentals and Any Deposit Liabilities	(FB15 9)	30,300	19,250
477 Administered Trust Liabilities (Total)	(FB14 8)	15,047	14,711
490 Other Liabilities (Specify Capital = $)	(FB16 13)		58,172
400 TOTAL OTHER LIABILITIES		45,347	92,133
6XX TOTAL ALLOWANCES FOR OPERATING FUNCTIONS	(FB17 53)	82,719	92,343
66X TOTAL CAPITAL ASSET VALUATION ALLOWANCES	(FB18 53)		
7XX TOTAL RESERVES FOR OPERATING FUNCTIONS	(FB17 53)	4,359,361	4,277,474
76X TOTAL RESERVES FOR CAPITAL	(FB18 53)	421,495	415,383
800 TOTAL EQUITY IN FIXED ASSETS	(FS7 14)	20,697,254	21,023,825
900 NET ACCUMULATED SURPLUS	(FS7 99 12)		
TOTAL CONSOLIDATED LIABILITIES		33,950,060	34,088,476

TOWN OF HIGH RIVER

MUNICIPALITY

COMBINED OPERATING REVENUES AND EXPENDITURES

By Function for the Year Ended December 31, 1985

FS3

FUNCTION DESCRIPTIONS	1 OPERATING REVENUES (0819 38)	2 OPERATING EXPENDITURES (0819 39)	3 NET COST OF OPERATIONS (0819 40)	4 NET GAIN FROM OPERATIONS (0819 37)
11 Council and Other Legislative		64,146	64,146	
12 General Administration and Other	134,022	775,881	641,859	
21 Police Department and Services Used	69,936	269,607	199,671	
23 Fire Fighting and Preventive Service	15,778	107,157	91,379	
24 Disaster Service and Emergency Measures	4,566	5,904	1,338	
25 Ambulance Services and First Aid		90,305	90,305	
26 By-Laws Enforcement and Other	8,713	13,971	5,258	
31 Common Services and/or Equipment Pool	10,811	85,868	75,057	
32 Roads, Streets, Walks, Lighting	64,514	556,161	491,647	
33 Airport Services	8,789	15,394	6,605	
34 Public Transit Systems				
37 Storm Sewers and Drainage	24,259	47,412	23,153	
41 Water Supply and Distribution System	569,348	548,598		20,750
42 Sanitary Sewage Service and Treatment	380,266	203,002		177,264
43 Garbage Collection & Disposal	154,580	146,225		8,355
51 Family and Community Support Services	129,704	170,932	41,228	
52 Day Care				
53 Other Public Health				
56 Cemeteries and Crematoriums	22,701	23,155	454	
61 Municipal Planning, Zoning & Development	88,179	210,859	122,680	
62 Community and or Agricultural Services	22,052	20,224		1,828
66 Subdivision Land and Developments	773,331	597,706		175,625
67 Public Housing Operations				
69 Land Housing Building Rentals and Other				
71 Recreation Board and Other Services		750	750	
72 Recreation Parks Facilities and Programs	373,989	704,193	330,204	
74 Culture Community Hall, Library, Museum, etc	120,918	327,561	206,643	
75 Convention Centre				
91 Gas Production and Distribution				
92 Electrical Production and Distribution				
93 Telephone System				
97 Operating Contingencies Reserve	40,820	98,991	58,171	
TOTAL FUNCTIONALIZED OPERATIONS	3,017,276	5,084,002	2,450,548	383,822
GENERAL MUNICIPAL REVENUES:				
100/200 Net Taxes for General Purposes (0550 38)	1,333,771			1,333,771
510 Penalties and Costs on Taxes	48,836			48,836
540 Revenues from Franchises & Concession Contracts	54,437			54,437
550 Returns on Investments—Interest/Dividends/etc.	92,613			92,613
590 Other Revenues from Own Sources	18,288			18,288
730 Federal Govt & Agencies Unconditional Grants				
740 Provincial Govt & Agencies Unconditional Grants	172,595			172,595
750 Local Governments Unconditional Grants				
990 Other	17,886			17,886
TOTAL GENERAL MUNICIPAL REVENUES	1,738,426			1,738,426
TOTAL MUNICIPAL OPERATING FUNCTIONS	4,755,702	5,084,002	2,450,548	2,122,248
NET SURPLUS OR DEFICIT FOR YEAR			328,300	
96 County School Functions				
GRAND TOTAL OPERATING FUNCTIONS SURPLUS/ DEFICIT	4,755,702	5,084,002	328,300	

TOWN OF HIGH RIVER
MUNICIPALITY

COMBINED CAPITAL FINANCING ACQUIRED AND APPLIED
By Function for the Year Ended December 31, 1985

FS4

FUNCTION DESCRIPTIONS		1 FUNDED CAPITAL AVAILABLE * (FR20 10)	2 OVEREXPENDITURES AT YEAR END (FR20 24)	3 CAPITAL FUNDS APPLIED ** (FR20 41)	4 UNEXPENDED FUNDS AT YEAR END (FR20 42)
11 Council and Other Legislative	1				
12 General Administration and Other	2	7,632		7,632	
	3				
	4				
21 Police Department and Services Used	5				
23 Fire Fighting and Preventive Service	6	14,514		14,514	
24 Disaster Service and Emergency Measures	7	4,878		4,878	
25 Ambulance Services and First Aid	8				
26 By Laws Enforcement and Other	9				
	10				
	11				
31 Common Services and or Equipment Pool	12	38,713		38,713	
32 Roads, Streets, Walks, Lighting	13	148,601		148,601	
	14				
33 Airport Services	15	29,304		29,304	
34 Public Transit Systems	16				
37 Storm Sewers and Drainage	17				
	18				
41 Water Supply and Distribution System	19	89,855		89,855	
	20				
42 Sanitary Sewage Service and Treatment	21	1,710,132		89,192	1,620,940
	22				
43 Garbage Collection & Disposal	23	500		500	
	24				
	25				
51 Family and Community Support Services	26	2,638		2,638	
52 Day Care	27				
53 Other Public Health	28				
56 Cemeteries and Crematoriums	29	336		336	
	30				
61 Municipal Planning, Zoning & Development	31	691		691	
62 Community and or Agricultural Services	32				
66 Subdivision Land and Developments	33	101,670	608,085	616,721	93,034
67 Public Housing Operations	34				
69 Land Housing-Building Rentals and Other	35				
	36				
	37				
71 Recreation Board and Other Services	38				
72 Recreation Parks Facilities and Programs	39	24,457		24,457	
74 Culture Community Hall, Library, Museum, etc	40	74,454	139,000	213,454	
75 Convention Centre	41				
	42				
	43				
91 Gas Production and Distribution	44				
92 Electrical Production and Distribution	45				
93 Telephone System	46				
	47				
	48				
	49				
97 General Capital Reserves	50				
TOTAL MUNICIPAL CAPITAL FUNCTIONS	51	2,248,375	747,085	1,281,486	1,713,974
96 County School Functions	52				
GRAND TOTAL CAPITAL FUNCTIONS	53	2,248,375	(1) 747,085	1,281,486	(2) 1,713,974

(1) Amount to be entered for deletion from equity as Overexpenditures in the 'Consolidated Statement of Equity' on page 7.

(2) Amount to be entered for addition to equity as Unexpended Balances in the 'Consolidated Statement of Equity' on page 7.

* Includes prior year's Unexpended Funds

** Includes prior year's Overexpenditure.

TOWN OF HIGH RIVER

MUNICIPALITY

TAXES LEVIED AND GRANTS-IN-LIEU

For Preceding Year and Current Year Ended December 31, 1985

FS5

ITEM DESCRIPTIONS		PRECEDING YEAR AMOUNT	CURRENT YEAR AMOUNT
LEVIES FOR REVENUE:			
111 Residential Taxes	32	1,452,464	1,662,437
112 Commercial Taxes	39	513,415	549,490
113 Industrial Taxes	39	288,738	259,202
114 Farmland Taxes	40	3,566	3,914
110 SUB TOTAL FOR REAL PROPERTY TAXES	1	2,258,183	2,475,043
120 Special Assessments and Local Improvements (FS5 12)	2	22,786	19,684
130 Mobile Home License Fees Collected	3	26,990	25,409
170 Business Taxes	4		
190 Power, Pipe, Cable T.V. and Other Taxes	5	43,345	71,027
210 Federal Grants in Lieu of Taxes	6	7,030	7,553
240 Provincial Grants in Lieu of Taxes	7	72,753	60,316
250 Other Local Government Grants in Lieu	8		
270 Other Grants in Lieu of Taxes	9		
100/200 TOTAL TAXES AND GRANTS IN LIEU	10	2,431,087	2,659,032
EXPENDED BY TRANSFERS:			
74X Provincial Planning Fund Requisition	11	21,042	18,956
74X School Foundation Program Requisition(s) Total	12	176,152	154,623
SUPPLEMENTARY SCHOOL REQUISITIONS			
75X Foothills School Division SD No 38	13	988,915	1,098,742
75X SD No	14		
75X SD No	15		
75X SD No	16		
75X SD No	17		
75X SD No	18		
75X SD No	19		
75X SD No	20		
OTHER REQUISITIONS			
75X HD No	21		
75X HD No	22		
75X HD No	23		
75X Nursing Home	24		
75X Auxiliary Hospital	25		
75X Foothills Foundation Seniors Foundation	26	29,973	33,256
75X Seniors Foundation	27		
75X Seniors Foundation	28		
75X Seniors Foundation	29		
740/750 SUB-TOTAL FOR REQUISITION TRANSFERS	5	1,216,082	1,305,577
BALANCE OF LEVIES FOR MUNICIPAL PURPOSES	51	1,215,005	1,353,455
ALLOCATED AS SPECIAL MUNICIPAL LEVIES			
120 Special Assessments and Local Improvements (FS19 1, FS20 2)	32	22,786	19,684
1XX 2XX Special Levies for Operations (FS19 1)	33	67,034	
1XX 2XX Levies for Capital Projects and Special Reserves (FS20 2)	34		
100/200 SUB-TOTAL SPECIAL MUNICIPAL LEVIES	37	89,820	19,684
100/200 NET TAXES FOR GENERAL MUNICIPAL PURPOSES (1) (FS1 52)	38	1,125,185	1,333,771

(1) The 'Net Taxes for General Municipal Purposes' must be the same as the amount on page 3.

DETAILED BREAKDOWN OF SPECIAL MUNICIPAL LEVIES

FS5A

SPECIAL ASSESSMENTS AND LOCAL IMPROVEMENTS (LINE 32)		SPECIAL LEVIES FOR OPERATIONS (LINE 33)		LEVIES FOR CAPITAL PROJECTS AND SPECIAL RESERVES (LINE 34)	
FUNCTION	AMOUNT	FUNCTION	AMOUNT	FUNCTION	AMOUNT
32-Streets	14,972				
41-Water	3,287				
42-Sewer	1,425				
	19,684				

TOWN OF HIGH RIVER

MUNICIPALITY

CONSOLIDATED STATEMENT OF SURPLUS (DEFICIT)

As at the Year Ended December 31, 1985

FS6

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	AIRPORT SERVICES (33)		PUBLIC TRANSIT SYSTEMS (34)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance				
2 – Adjustments to Prior Years				
3 – Current Year Operations (from page 3)	6,605			
4 – Transfers to and from Other Functions		6,605		
5 – SUB-TOTAL	6,605	6,605		
6 – Balance at Year End	Nil	Nil		

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	STORM SEWERS AND DRAINAGE SYSTEMS (37)		WATER SUPPLY AND DISTRIBUTION SYSTEMS (41)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance			22,778	
2 – Adjustments to Prior Years				
3 – Current Year Operations (from page 3)	23,153			20,750
4 – Transfers to and from Other Functions		23,153		
5 – SUB-TOTAL	23,153	23,153	22,778	20,750
6 – Balance at Year End	Nil	Nil	2,028	

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	SANITARY SEWAGE SERVICE AND TREATMENT (42)		GARBAGE COLLECTION AND DISPOSAL SYSTEMS (43)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance				
2 – Adjustments to Prior Years			16,054	
3 – Current Year Operations (from page 3)		177,264		8,355
4 – Transfers to and from Other Functions	177,264			7,699
5 – SUB-TOTAL	177,264	177,264	16,054	16,054
6 – Balance at Year End	Nil	Nil	Nil	Nil

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	SUBDIVISION LAND AND DEVELOPMENTS (66)		GAS PRODUCTION AND DISTRIBUTION SYSTEMS (91)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance				
2 – Adjustments to Prior Years				
3 – Current Year Operations (from page 3)		175,625		
4 – Transfers to and from Other Functions	175,625			
5 – SUB-TOTAL	175,625	175,625		
6 – Balance at Year End	Nil	Nil		

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	ELECTRICAL PRODUCTION AND DISTRIBUTION SYSTEMS (92)		TELEPHONE SYSTEM (EDMONTON ONLY) (93)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance				
2 – Adjustments to Prior Years				
3 – Current Year Operations (from page 3)				
4 – Transfers to and from Other Functions				
5 – SUB-TOTAL				
6 – Balance at Year End				

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	( )		COUNTY SCHOOL (96)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance				
2 – Adjustments to Prior Years				
3 – Current Year Operations (from page 3)				
4 – Transfers to and from Other Functions				
5 – SUB-TOTAL				
6 – Balance at Year End				

ITEM DESCRIPTIONS / FUNCTION DESCRIPTIONS	ALL OTHER OPERATIONS DEFICIT/SURPLUS (98)		TOTAL NET ACCUMULATED DEFICIT/SURPLUS (TO FS2) (99)	
	DEFICIT	SURPLUS	DEFICIT	SURPLUS
1 – Preceding Year Balance			133,518	
2 – Adjustments to Prior Years	17,732	251,346		
3 – Current Year Operations (from page 3)	2,420,790	1,740,254		
4 – Transfers to and from Other Functions	37,457	352,889		
5 – SUB-TOTAL	2,475,979	2,344,489		
6 – Balance at Year End	131,490			

Any adjustments to prior years entered on Lines 2 or 8 of any function must be fully explained in the notes to the financial statements on Page 7.

TOWN OF HIGH RIVER
MUNICIPALITY

FS7

CONSOLIDATED STATEMENT OF EQUITY IN FIXED ASSETS TO DECEMBER 31, 1985

ITEM DESCRIPTIONS	1 DELETE FROM EQUITY	2 ADD TO EQUITY	3 BALANCE OF EQUITY
1 PRECEDING YEAR BALANCE OF EQUITY	1,384,237	499,635	20,697,254
CHANGES DURING THE YEAR			
310 Debentures, Bonds and Mortgages (FB11 53) 2	432,950	388,852	
320 Long-Term Debt and Capitalized Leases (FB12 53) 3			
490 Other Assets and or Liabilities (1) (Note 2) 4	99,023		
610 Engineering Structures Fixed Assets (FB6 53) 5	850,174	1,130,612	
620 Buildings Fixed Assets (FB7 53) 6		50,798	
630 Machinery, Equipment, Fixed Assets (FB8 53) 7	24,856	42,231	
640 Land for Own Government Use (FB9 53) 8	176,430	177,255	
650 Vehicle Fixed Assets (FB10 53) 9		37,969	
66X Fixed Assets Valuation Allowances (or Depreciation) 10			
XXX Overexpenditures at Year End (FS4 53) 11	747,085		
XXX Unexpended Balance for Capital Projects (FS4 53) 12		1,713,974	
13 TOTAL CHANGES TO EQUITY THIS YEAR	3,714,755	4,041,326	
14 800 CLOSING BALANCE OF EQUITY IN FIXED ASSETS (FS2 2 4)			21,023,825

Line 1, Co. 1 - Prior year unexpended funds (PRIOR YR. FS4-4-53)

Line 1, Col 2 - Prior year overexpenditures (PRIOR YR. FS4-2-53)

(1) Any entry on Line 4, Column 1 or 2, must be fully explained in the notes to the financial statements on Page 7.

NOTES TO FINANCIAL STATEMENTS

*(Include relevant notes for accounting policies, procedures and principles; for any material adjustments or changes in financial position; and for any contingent liabilities or major new projects.)

*NOTE 1.

Accounting Policies

The Town of High River follows accounting principles generally accepted for Municipalities which include:

(a) Fixed Assets are recorded at cost except for assets revalued at December 31, 1981 which are valued at their replacement cost on that date

(b) Depreciation is not taken on fixed assets

(c) Investments are recorded at cost

(d) Revenues and expenditures are recorded on a full accrual basis

(e) Leases for fixed assets are not capitalized

*NOTE 2. Equity in Fixed Assets - Other Assets/Liabilities

The other assets and/or liabilities change is comprised of:

Cost of Subdivision lots sold - $99,023

*NOTE 3. Prior Year Adjustments to Operating Surplus

Function 98 - All Other Operations

Correction to prior year's overexpended capital funds for items which had been recorded as operating expenditures	Surplus	$251,346
Correction to prior year's overexpended capital funds for items which had been recorded as operating revenues	Deficit	$ 8,775
Additional assessments for prior year Local Authorities Pension Premiums	Deficit	$ 7,844
Miscellaneous other adjustments	Deficit	$ 1,113
		$ 17,732

Function 43 - Garbage Collection and Disposal Systems

Adjustment to prior year accounts payable	Deficit	$ 16,054

NOTES TO FINANCIAL STATEMENTS

*NOTE 4. Leases

The Town of High River is committed to a number of leases for vehicles, machinery, equipment and furnishings. The lease payments on these leases in 1986 will amount to approximately $139,700.00. These leases have not been capitalized on the books of the Town.

In addition, the Town leases automobiles on behalf of certain employees. The lease payments are recovered by the Town from these employees through monthly payroll deductions.

*NOTE 5. Commitments

The Town of High River, pursuant to an agreement with the Alberta Housing Corporation dated February 2, 1981 is committed to the purchase of 186.02 acres of land to be used for future residential subdivisions. The purchase price to the Town is equal to the original cost of the land to Alberta Housing Corporation of $3,441,370.00 plus interest at the rate of 13.76%. All the land must be purchased by February 15, 1996. To date, the Town has purchased 23 acres at a cost of $626,698.00 leaving an outstanding balance of principle plus accrued interest in the amount of $3,938,080.00.

*NOTE 6. Litigation

The Town is still involved in legal action to recover the $57,000 cost of repairing the Library roof.

*NOTE 7. Reclassification of Fixed Assets

Fixed Assets have been reclassified as follows:

Reclassifications between functions	
Engineering Structures	
From Water Supply function 41 to Storm Sewers function 37	$479,859
From Water Supply function 41 to Recreation function 72	370,315
	$850,174
Machinery, Equipment	
From Roads function 32 to Common Services function 31	$ 10,326
Land for Government Use	
From Roads function 32 to Common Services function 31	$176,430
Reclassification between asset types	
From Fire Fighting, Machinery, Equipment to Vehicles	$ 8,000
From Disaster Service Machinery, Equipment to Vehicles	$ 6,530

*NOTE 8. Reclassification of Reserves

The General Administration Operating Reserve has been reclassified to Operating Contingencies Reserve. This reserve was created from funds received under The Municipal Debt Reduction Program in 1979 and has not been committed for specific use.

POOR

QUALITY

ORIGINAL